UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: October 5, 2005]²

Bill No. and sponsor: H.R. 1915 (Mr. Kenny C. Hulshof of Missouri)

Proponent name, location: BASF Corporation, Florham Park, NJ 07932

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty reduction through 12/31/2008.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Diethyl ketone (CAS No. 96-22-0) (provided for in subheading 2914.19.00)

Check one: X Same as that in bill as introduced.

____ Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

Diethyl ketone is a synthetic organic chemical used in the production of a herbicide and vitamin E. It is also used as a general purpose solvent. BASF imports the product from Germany.

Industry analyst preparing report: Philip Stone (202-205-3424); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm

Estimated effect on customs revenue:

HTS subheading: <u>2914.19.00</u>									
	2005	2006	2007	2008	2009				
Col. 1-General rate of duty	4.0%	4.0%	4.0%	4.0%	4.0%				
Estimated value <i>dutiable</i> imports	\$16,587,130	\$16,587,130	\$17,935,050	\$19,894,000	\$19,894,000				
Customs revenue loss <u>1</u> /	\$215,633	\$215,633	\$233,156	\$258,622	\$258,622				

¹/ Revenue loss results from a difference between the rate of duty shown and the proposed reduced rate of 2.7%.

Source of estimated dutiable import data: Industry estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?		
		(Yes/No)				
BASF Corporation (proponent) Tom Coleman, 202-682-9462 Greg Theis, Fax: 202-558-5101	8/18/2005	No	No	No		
Valent USA Robin Demouth, Fax: 925-256-2776	8/18/2005	No	No	No		
Syngenta Mike Blythe, Fax: 336-632-6084	8/18/2005	No	No	No		
Monsanto Corporation Michael Parrish, Fax: 202-789-1867	8/18/2005	No	No	No		
FMC Corporation Jerry Prout, Fax: 202-956-5235	8/18/2005	No	No	No		
DuPont Helen McMahon, Fax: 302-774-1398	8/18/2005	No	No	No		
Crop Life America Lawrence Norton, Fax: 202-463-0474	8/18/2005	No	No	No		

Bayer Williams Hensley, Fax: 202-628-6622	8/18/2005	No	No	No
AtoFina Cerex Charles Kitchin, Fax: 703-527-2092	8/18/2005	No	No	No
Dow Agro Science Margaret Rogers, Fax: 202- 429-3467	8/18/2005	No	No	No

Technical comments:³ None.

The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

109TH CONGRESS 1ST SESSION

H. R. 1915

To reduce temporarily the duty on diethyl ketone.

IN THE HOUSE OF REPRESENTATIVES

April 27, 2005

Mr. Hulshof introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To reduce temporarily the duty on diethyl ketone.

1 Be	it	enacted	by	the	Senate	and	House	of	Representa-
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- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. DIETHYL KETONE.
- 4 (a) In General.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by inserting in numerical sequence the following
- 7 new heading:

"	9902.05.60	Diethyl ketone (CAS No.					
		96–22–0) (provided for in					
		subheading 2914.19.00)	2.7%	No change	No change	On or before	
						12/31/2008	".

- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of enactment of this Act.

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